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7 UNITED STATES DISTRICT COURT
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9 DISTRICT OF NEVADA

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13 UNITED RENTALS, INC.,

14 Plaintiff,

15 vs.

16 AHERN RENTALS, INC, *et al.*,

17 Defendants.

18 2:12-cv-01876-JCM-VCF

19 ORDER

20 (SEALED Motion For Leave To File Under
21 Seal The Verified Complaint For Damages and
22 Injunctive Relief and Application and Motion
23 for Preliminary Injunction #2)

24 Before the court is plaintiff United Rentals, Inc's SEALED Motion For Leave To File Under
25 Seal The Verified Complaint For Damages and Injunctive Relief and Application and Motion for
Preliminary Injunction. (#2).

26 **A. Background**

27 On September 24, 2010, United Rentals' predecessor-in-interest, RSC Equipment Rental, and
28 defendant Ahern Rentals Inc, entered into a settlement agreement (hereinafter "Settlement Agreement")
29 regarding a dispute between the parties. (#2). Under the Settlement Agreement, the parties must
30 maintain the confidentiality of the terms of the Settlement Agreement. *Id.* United Rental asserts that "a
31 dispute concerning the Settlement Agreement has now risen, causing United Rentals to file the Verified
32 Complaint [and motion for preliminary injunction] against Ahern and those acting in participation with
33 Ahern for breach of the Settlement Agreement." *Id.* United Rentals states that, since the verified
34 complaint and the motion for preliminary injunction "necessarily disclose material terms of the
35 Settlement Agreement and include a copy of the Settlement Agreement as exhibits," good cause exists
to permit United Rentals to file the documents under seal. *Id.*

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2 **B. Relevant Law**

3 Pursuant to Local Rule 10-5(b), “[u]nless otherwise permitted by statute, rule or prior Court
4 order, papers filed with the Court under seal shall be accompanied by a motion for leave to file those
5 documents under seal, and shall be filed in accordance with the Court’s electronic filing procedures.”
6 A party seeking to file a document under seal must also comply with the directives in *Kamakana v. City*
7 and *County of Honolulu*, 447 F.3d 1172 (9th Cir. 2006). “Unless a particular court record is one
8 “traditionally kept secret,” a “strong presumption in favor of access” is the starting point” for a court in
9 determining whether to grant a motion to seal. *Kamakana*, 447 F.3d at 1178. To justify the sealing of
10 materials attached to non-dispositive motions, a particularized showing of good cause is required. *Id.* at
11 1180.

12 “[A] prior settlement agreement is generally an important factor weighing against disclosure
13 when continued secrecy was a significant condition of reaching settlement.” *Mokhiber v. Davis*, 537
14 A.2d 1100, 1116 (D.C. 1988). “For the court to induce [the parties’ reliance on secrecy in settling] and
15 then to decline to support the parties in their reliance would work an injustice on...litigants and make
16 future settlements predicated upon confidentiality less likely.” *Id* (quoting *In re Franklin Nat'l Bank*
17 *Securities Litigation*, 92 F.R.D. 468, 472 (E.D.N.Y.1981),

18 **C. Discussion**

19 The court finds that United Rental has made a “particularized showing of good cause” to permit
20 it to file the verified complaint and motion for preliminary injunction under seal. *Kamakana*, 447 F.3d
21 at 1180. Plaintiff United Rental complied with this court’s Local Rule 10-5(b), and filed a motion for
22 leave to file under seal the verified complaint and motion for preliminary injunction. (#2). The court
23 recognizes that the parties reached a settlement and signed the Settlement Agreement in reliance on the
24 condition that the terms of the Settlement Agreement would remain confidential. *Id.* The court supports
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2 the parties' reliance and finds that the confidentiality of the Settlement Agreement outweighs the
3 public's right to access. *Mokhiber*, 537 A.2d at 1116; *Kamakana*, 447 F.3d at 1178.
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5 Accordingly and for good cause shown,
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7 IT IS ORDERED that plaintiff United Rentals, Inc's SEALED Motion For Leave To File Under
8 Seal The Verified Complaint For Damages and Injunctive Relief and Application and Motion for
9 Preliminary Injunction (#2) is GRANTED.
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11 IT IS FURTHER ORDERED that United Rentals, Inc may file only the Verified Complaint For
12 Damages and Injunctive Relief and Application and Motion for Preliminary Injunction UNDER SEAL.
13 The documents filed under seal pursuant to this Court order must bear the following notation on the first
14 page, directly under the case number: "FILED UNDER SEAL PURSUANT TO COURT ORDER
15 DATED November 2, 2012." *See LR 10-5(b)*. The same will remain sealed until further order from the
16 court. *Id.*
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18 IT IS FURTHER ORDERED that United Rentals, Inc's SEALED Motion For Leave To File
19 Under Seal The Verified Complaint For Damages and Injunctive Relief and Application and Motion for
20 Preliminary Injunction (#2) is UNSEALED and that this order is not filed under seal.
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22 DATED this 2nd day of November, 2012.
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24 CAM FERENBACH
25 UNITED STATES MAGISTRATE JUDGE